

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 24-MJ-03998-AOV-1

UNITED STATES OF AMERICA,

Miami, Florida

Plaintiff(s),

September 20, 2024

vs.

MALONE LAM,

Defendant(s).

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DETENTION HEARING  
TRANSCRIBED FROM DIGITAL AUDIO RECORDING  
BEFORE THE HONORABLE ALICIA O. VALLE  
UNITED STATES MAGISTRATE JUDGE

APPEARANCES:

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Court Reporter  
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1 Thereupon,  
2 the following proceedings were held:

3 THE DEPUTY CLERK: Page 12, Malone Lam, 24 MJ 3998.

4 Government counsel, announce your appearance.

5 MR. STRATTON: Good afternoon, your Honor. Jonathan  
6 Stratton on behalf of the United States.

7 THE COURT: I'm sorry. Stratton?

8 MR. STRATTON: Stratton, yes. S-T-R-A-T-T-O-N.

9 THE COURT: Thank you, Mr. Stratton.

10 MR. WEINER: And good afternoon, your Honor. Diego  
11 Weiner, from the Law Offices of Jeff Weiner, on behalf of  
12 Mr. Malone Lam.

13 THE COURT: Diego. Are you Jeff's son?

14 MR. WEINER: I am Jeff's son, your Honor.

15 THE COURT: How cool. I've never met you before. Let  
16 me put my glasses on.

17 MR. WEINER: Pleasure to meet you in the flesh, your  
18 Honor.

19 THE COURT: Very nice. I didn't know Jeff had a son.  
20 This was great.

21 MR. WEINER: Your Honor, if I may make a quick  
22 request. May I have just one brief moment to speak to my  
23 client before we begin the proceeding?

24 THE COURT: Yes, you may.

25 MR. WEINER: Very briefly. Excuse me.

1 THE COURT: Yes.

2 (Pause)

3 MR. WEINER: We're ready to proceed, your Honor.

4 Thank you very much.

5 THE COURT: All right. Thank you.

6 All right. So, Mr. Stratton, we are here scheduled  
7 for a pretrial detention hearing and removal hearing. Are we  
8 going forward or have the parties reached an agreement?

9 MR. STRATTON: We are going forward, your Honor.

10 THE COURT: All right. Thank you.

11 Mr. Weiner, I am going to turn to you for just a  
12 moment. Are we going to be doing both pretrial detention and  
13 the removal hearing, identity hearing? Where are we on that?

14 MR. WEINER: Your Honor, we will be moving forward on  
15 a pretrial detention hearing and we will likely be waiving the  
16 removal hearing --

17 THE COURT: OK. Gotcha.

18 MR. WEINER: -- thereafter.

19 THE COURT: And identity as well.

20 MR. WEINER: Yes, your Honor.

21 THE COURT: All right. I just wanted to get an idea  
22 of where we were going.

23 MR. WEINER: Thank you very much.

24 THE COURT: All right. Mr. Stratton, I'll hear from  
25 you. This is a removal case. It's an indicted case, so

1 probable cause exists in terms of the indictment. We don't  
2 have to have that hearing at least. So we'll hear what you  
3 have to say.

4 MR. STRATTON: Your Honor, the government's moving  
5 based on risk of flight and danger to the community. The  
6 defendant faces stat --

7 THE COURT: Hold on. I'm sorry. Give me a minute.

8 MR. STRATTON: No problem.

9 (Pause)

10 THE COURT: OK. So you're doing risk of flight and  
11 danger, right?

12 MR. STRATTON: Correct. The defendant faces a  
13 two-count indictment. Each count carries a 20-year statutory  
14 maximum. The government's initial calculation of the guideline  
15 range puts it at 168 to 210 months. That is driven by a loss  
16 amount here of approximately \$230 million.

17 Your Honor, the government is prepared to proceed by  
18 proffer. We do have FBI special agent Justin Gallenstein  
19 available to testify for cross-examination.

20 THE COURT: What is Justin's last name?

21 MR. STRATTON: Gallenstein. G-A-L-L-E-N-S-T-E-I-N.  
22 Nailed that.

23 THE COURT: All right. Thank you very much.

24 I will hear your proffer.

25 MR. STRATTON: All right. Your Honor, on August 18

1 and 19, 2024, the defendant and his coconspirators stole over  
2 \$230 million in cryptocurrency from a victim in Washington,  
3 D.C. They targeted the victim because they identified him as a  
4 high-net-worth crypto investor from the early days of  
5 cryptocurrency.

6 The defendant and his coconspirators called the victim  
7 and impersonated Google support Team members. They told the  
8 victim that there was a hack attempt on his Google account and  
9 they needed to shut it down.

10 After a long period of questioning they convinced the  
11 victim to provide security codes to his Google account. The  
12 defendant then accessed the victim's gmail account and his One  
13 Drive account to locate his crypto assets.

14 The defendant also scoured the private accounts  
15 looking for seed phrases and account information.

16 In doing so the defendant located a Gemini  
17 cryptocurrency exchange records in the victim's Google  
18 accounts, and the conspirators agreed that one of them would  
19 call the victim back and pose as a Gemini crypto exchange  
20 security Team member. In doing so they convinced the victim  
21 that his crypto accounts had been compromised.

22 Initially they convinced the victim to transfer a  
23 small portion, approximately \$3 million, of his  
24 cryptocurrency --

25 THE COURT: I'm sorry. How much?

1 MR. STRATTON: The initial transfer was 3 million to a  
2 crypto wallet controlled by the defendant.

3 The group then convinced the victim to download a  
4 remote desktop connection program for his own security and this  
5 allowed the defendant to log into the victim's computer and  
6 steal over 4,000 Bitcoin.

7 In total, the defendant and his coconspirators stole  
8 well over \$230 million in cryptocurrency from the victim.

9 The defendant and his coconspirators were in realtime  
10 communications during this event over Discord and Telegram.

11 The government is in possession of the screen  
12 recording capturing the defendant using the \$\$\$ Telegram handle  
13 and the Anne Hathaway Discord display name to discuss  
14 strategies to manipulate the victim in allowing them access to  
15 his crypto holdings.

16 The government is in possession of numerous documents  
17 and photos attributing the \$\$\$, as alleged in the indictment,  
18 as an a/k/a Telegram handle to the defendant. For example, the  
19 defendant sent photos of himself to friends using the \$\$\$  
20 Telegram handle. He sent photos of his brand new white sports  
21 car with his name painted on the side of it to his friends  
22 using the \$\$\$ Telegram handle.

23 In a recorded post-Miranda interview the defendant  
24 admitted to using the \$\$\$ Telegram handle, admitted to  
25 committing the crypto theft with his coconspirators, and

1 admitted to dividing up the stolen funds and laundering it  
2 through various cryptocurrency exchanges.

3 THE COURT: I'm sorry. So admitted to the theft and  
4 what else?

5 MR. STRATTON: He admitted to using the Telegram  
6 handle, the \$\$\$, admitted to the theft, and admitted to  
7 dividing up the stolen funds amongst his coconspirators, and to  
8 laundering it through various cryptocurrency exchanges.

9 Following the laundering of these funds, the defendant  
10 went on what only can be described as an outrageous and  
11 exorbitant spending spree.

12 Over the course of a few weeks the defendant became  
13 notorious in the Los Angeles nightclub scene. Government  
14 surveillance captured the defendant at a Los Angeles nightclub  
15 spending hundreds of thousands of dollars a night and tossing  
16 out handbags valued at tens of thousands of dollars.

17 Management at the nightclub informed the government  
18 the defendant attempted to pay in cryptocurrency and was  
19 spending upwards of half a million dollars a night at the club.  
20 For example, the government is in possession of one receipt  
21 from --

22 THE COURT: You have to slow down. This is just a  
23 lot.

24 MR. STRATTON: I understand, your Honor.

25 THE COURT: OK. So Los Angeles nightclubs, thousands

1 of dollars a night, throwing expensive handbags out to folks.

2 MR. STRATTON: The government is in possession of a  
3 receipt from one Los Angeles nightclub where the defendant  
4 spent \$569,525 in a single night. I can itemize that for your  
5 Honor, but I will just tell you that that is the total amount.

6 The defendant also spent the victim funds on the  
7 collection of luxury automobiles, some valued as high as \$3  
8 million.

9 Agents recovered bills of sale at his Miami residence  
10 for his automobiles.

11 In the post-Miranda interview, he admitted to  
12 purchasing 31 automobiles. Many have yet to be located, like  
13 the automobile that he sent to his friends that had his name  
14 painted on the side.

15 On September 10, 2024, the defendant and his friends  
16 flew on a private jet from Los Angeles to Miami to continue  
17 spending the victim's money.

18 The defendant rented multiple homes in Miami,  
19 including a residence on Hibiscus Island, along with two other  
20 luxurious homes near the water.

21 The Pretrial Services report states that the defendant  
22 indicated he was renting one of those three homes for \$68,000 a  
23 month, from which the defendant continued spending the victim's  
24 funds in Miami on nightclubs, jewelry, and cars, and he was  
25 arrested on September 18, 2024.



1 THE COURT: I'm sorry. What date? September?

2 MR. STRATTON: September 18th.

3 From two of his residence in Miami, the agents seized  
4 nine luxury automobiles, including luxury watches and including  
5 a watch that was purchased for \$1.8 million.

6 THE COURT: I'm sorry. Did you say nine luxury?

7 MR. STRATTON: Luxury automobiles of the 31 the  
8 defendant stated he purchased, and they also recovered a luxury  
9 watch, which was purchased for \$1.8 million.

10 Also in the post-Miranda interview, the defendant  
11 admitted to doing additional hacks and making millions of  
12 dollars from those additional crypto fraud schemes, which the  
13 defendant further stated supported his entire lifestyle since  
14 he arrived in the United States in October of 2023.

15 The defendant has no ties to the United States, as he  
16 is a Singaporean citizen, who was here via the Visa Waiver  
17 Program, which provides --

18 THE COURT: I'm sorry for the interruption. Arrived  
19 in when of 2023?

20 MR. STRATTON: October, and the defendant's here  
21 pursuant to the Visa Waiver Program, which provides a 90-day  
22 stay.

23 THE COURT: So he is an overstay?

24 MR. STRATTON: He is an overstay. We believe his stay  
25 expired in January of 2024.

1           The defendant also has no permanent residence here in  
2           the United States and has not been lawfully employed.

3           Finally, your Honor, as to the defendant's  
4           codefendant, he was arrested in Los Angeles. He has stipulated  
5           to detention in his case.

6           I wanted to point out to your Honor that his  
7           codefendant's girlfriend tipped off the defendant before your  
8           Honor prior to his arrest and the defendant here immediately  
9           deleted his Telegram account, evidencing the defendant's desire  
10          to obstruct justice as that Telegram account would have  
11          significant evidence regarding the charged crimes.

12          That completes the government's factual proffer.

13          THE COURT: Very unusual proffer, I have to admit.

14          MR. STRATTON: It took me a while to put it together.  
15          It is not obviously my case, your Honor. I am covering for my  
16          colleagues in the District of Columbia, but we've been working  
17          on this all week, and here we are.

18          THE COURT: All right. Thank you.

19          Mr. Weiner.

20          MR. WEINER: Yes, your Honor. We'd like to  
21          cross-examine the agent.

22          THE COURT: Thank you.

23          MR. STRATTON: The United States now calls FBI special  
24          agent Justin Gallenstein to the stand.

25          THE MARSHAL: Please remain standing to be sworn in.

Gallenstein - Cross

1 THE DEPUTY CLERK: Please raise your right hand to be  
2 sworn.

3 Do you swear or affirm the testimony you are about to  
4 give in this cause to be the truth?

5 THE WITNESS: I do.

6 THE DEPUTY CLERK: Please speak into the microphone  
7 and state your full name and title and spell your last name.

8 THE WITNESS: My title is special agent. My first  
9 name is Justin, J-U-S-T-I-N. Last name Gallenstein,  
10 G-A-L-L-E-N-S-T-E-I-N.

11 THE COURT: Thank you, agent Gallenstein. Thanks for  
12 being here.

13 Mr. Weiner, you may proceed with your  
14 cross-examination.

15 MR. WEINER: Thank you, your Honor.

16 JUSTIN GALLENSTEIN,

17 called as a witness,

18 having been duly sworn, testified as follows:

19 CROSS-EXAMINATION

20 BY MR. WEINER:

21 Q Good afternoon, special agent.

22 A Good afternoon.

23 Q Special agent, how did this investigation begin?

24 A It began with a tip from the victim.

25 Q OK. Have you met with the victim in this case?

Gallenstein - Cross

1 A I have not.

2 Q OK. You've never had a conversation with him?

3 A I have not.

4 Q Have you reviewed any of the records or purported evidence  
5 that this alleged victim has?

6 A Yes. I've seen screenshots.

7 Q OK. But did you do so here in the Southern District of  
8 Florida or in D.C.?

9 A Here.

10 THE COURT: I'm sorry. Agent, are you from here or  
11 from D.C.?

12 THE WITNESS: From here, your Honor.

13 THE COURT: OK.

14 BY MR. WEINER:

15 Q So you have not had an opportunity to review any of the  
16 evidence, let's say, prior to a charging decision?

17 A No.

18 Q You didn't review any financial documents?

19 A No.

20 Q Bank accounts?

21 A No.

22 Q Cryptocurrency exchange records?

23 A No.

24 Q OK. Were you involved in issuing subpoenas in this case,  
25 sir?

Gallenstein - Cross

1 A No.

2 Q Were you involved at any stage of the investigation in this  
3 case?

4 A No.

5 Q OK. So it's fair to say that whatever knowledge you do  
6 have is based on the investigation conducted by additional FBI  
7 agents, correct?

8 A And my review of that evidence, yes.

9 Q But you reviewed documents?

10 A Yes.

11 Q The indictment?

12 A Yes.

13 Q But you haven't actually spoken to any witnesses involved  
14 in this case?

15 A Correct.

16 Q Did you have any involvement in the arrest?

17 A No.

18 Q OK. You didn't serve the arrest warrant?

19 A No.

20 Q So it's all secondhand information that you've received  
21 from additional FBI agents?

22 A Yes.

23 Q Do you have any knowledge about the grand jury proceedings  
24 in this case?

25 A Can you clarify?

Gallenstein - Cross

1 Q Yes, sir.

2 Do you know when the grand jury proceeding was in this  
3 case?

4 A No, not precisely.

5 Q Or what witnesses testified in the grand jury?

6 A No.

7 Q OK. You didn't testify before the grand jury?

8 A I did not.

9 Q Could you give me an example of some of the documents that  
10 you reviewed prior to you taking the stand today?

11 A The affidavits for the search warrants, the overall  
12 investigation. I am a cyber agent as well. In the course of  
13 my duties I investigate crimes similar to this. So I've had  
14 multiple conversations with the case agent regarding this case  
15 and all aspects of it.

16 Q OK. But you didn't investigate this case, to be clear?

17 A I did not.

18 Q OK. But please give me specific references of documents  
19 that you reviewed in this case. So, for example, you mentioned  
20 affidavits. Did you review any exchange records in this case?

21 A I did not.

22 Q OK. Any -- let's see. Were you present during the  
23 purported confession that my client gave in custody?

24 A I was not.

25 Q Are you aware whether -- it was mentioned that it was

1 post-Miranda statements, but you were not present in the room?

2 A I was not present.

3 Q Have you viewed a recording of the confession?

4 A I have not.

5 Q OK.

6 MR. WEINER: Your Honor, I have no further questions.

7 It is not a meaningful opportunity to cross-examine an  
8 agent that knows nothing about the case. No disrespect, sir,  
9 as you didn't take part in the investigation.

10 That's all for the defense, your Honor.

11 THE COURT: Thank you.

12 Anything further from you, Mr. Stratton?

13 MR. STRATTON: No, your Honor.

14 THE COURT: Thank you, agent. You may step down.

15 THE WITNESS: Thank you.

16 (Witness excused)

17 THE COURT: Mr. Stratton, anything further?

18 MR. STRATTON: Nothing evidence factual-wise.

19 THE COURT: Thank you.

20 Mr. Weiner, anything in terms of evidence?

21 MR. WEINER: No evidence from the defense, your Honor.

22 THE COURT: All right. Thank you.

23 Mr. Stratton, I'll hear your argument.

24 MR. STRATTON: Your Honor, as to risk of flight, the  
25 defendant has no status here in the United States. He's a visa

1     overstay. He has no family members here in the United States,  
2     according to the Pretrial Services report. He has been in  
3     Miami, according to the Pretrial Services report, for seven  
4     days. Importantly, he has no ties -- I don't think the  
5     defendant has actually ever been to the Washington, D.C., area  
6     where the charges are brought.

7             Obviously as a result of this scheme the defendant has  
8     significant assets that provide the ability to flee  
9     prosecution.

10            We have consulted with the Office of International  
11     Affairs, OIA, at DOJ. There is an extradition treaty with  
12     Singapore; however, it is unclear at this time whether they  
13     will extradite their own nationals. So that is the best I  
14     could do in the short time frame.

15            The defendant is also facing a significant sentence,  
16     your Honor. At the low end of the guideline range it is 168  
17     months. So well over ten years of incarceration for the  
18     defendant.

19            So for those reasons he presents a substantial risk of  
20     flight, that Pretrial Services agrees.

21            As to danger, the defendant presents two dangers. One  
22     is, he is obviously a sophisticated cryptocurrency fraudster.  
23     He executed one of the most significant cryptocurrency hacks in  
24     the country. He can do those kinds of hacking from anywhere,  
25     and there is no reasonable combination of conditions that



1 Pretrial Services can implement that will prevent his ability  
2 to further exploit crypto investors throughout the country.

3 The second part of the danger argument, your Honor, is  
4 the defendant's inclination to obstruct justice. The defendant  
5 was tipped off by his codefendant's girlfriend and immediately  
6 engaged in further criminal activity by deleting his Telegram  
7 account and obstructing justice in this investigation.

8 Again, there is no combination of conditions that  
9 Pretrial Services can implement that will prevent the defendant  
10 from further obstructing justice. As you can imagine, your  
11 Honor, a lot of this evidence exists electronically. The  
12 defendant's ability to hide that electronic evidence is  
13 significant.

14 There is also an additional 22 automobiles that remain  
15 left unaccounted for. This not only provides the defendant  
16 with significant assets for potential flight but it also  
17 provides further ability to obstruct justice to hide the fruits  
18 of his crime.

19 So for those reasons the government seeks pretrial  
20 detention based on risk of flight and danger to the community.

21 THE COURT: Thank you very much.

22 Mr. Weiner, I'll hear you.

23 MR. WEINER: Yes, your Honor. Thank you so much.

24 Your Honor, it's our position that the government has  
25 not established the four elements or, excuse me, the four

1 considerations that this court must look at regarding pretrial  
2 detention and that there's no reasonable set of circumstances  
3 which can assure both the appearance of the defendant at future  
4 court proceedings and the safety of the community.

5 Your Honor, I just want to tell you a little bit about  
6 the defendant's history. He's 20 years old. He has asthma.  
7 He has zero criminal history. This crime, while very serious,  
8 is not a crime of violence. There is no indication that he has  
9 ever missed a court date or a court proceeding. Your Honor,  
10 while --

11 THE COURT: He just started. OK.

12 MR. WEINER: But he is present before the court today,  
13 your Honor.

14 THE COURT: Not willingly.

15 MR. WEINER: I understand, your Honor.

16 THE COURT: But let's go on. I get it. You're doing  
17 what you got.

18 MR. WEINER: So, your Honor, I appreciate the  
19 government having the agent at our disposal; however, not  
20 having an opportunity to cross-examine the agent in charge or,  
21 at the very least, an agent that has some firsthand knowledge  
22 of the case in our opinion really does not allow for a  
23 meaningful cross-examination in this case.

24 Now, we heard a proffer from the government, your  
25 Honor, and we heard about a confession, but, your Honor, in a

1 case like this we're addressing whether he is going to be a  
2 flight risk. Now I want your Honor to know, as it's indicated  
3 in the Pretrial Services report, that he does have a passport,  
4 a Singapore passport, which is in the possession of the  
5 government.

6 Your Honor, as far as the evidence when we're talking  
7 about in this case, I believe -- right now he is in the middle  
8 of -- he was moving to Miami, your Honor. So the fact that he  
9 doesn't have an established residence is more to do with the  
10 fact that he was moving from California to Miami. He was  
11 renting a home here, and he can continue that month-to-month  
12 rent in another Airbnb or in another long-term rental property.

13 Now, your Honor, with regard to what we would be  
14 asking of the court and the conditions that we feel will  
15 actually ensure that he shows up to court and is here for any  
16 future proceedings, we are asking that the court grant him a  
17 \$250,000 corporate surety bond with electronic monitoring and,  
18 of course, he is going to waive removal. He will sign a waiver  
19 of extradition. Of course, there will be a Nebbia requirement  
20 in the bond, your Honor.

21 I just want the court to be cognizant of the fact that  
22 he does have no priors, and while the crime is very serious, I  
23 believe that that along with some special conditions in his  
24 pretrial release, as far as what he can do employment worthy,  
25 where he can go, where he can travel, those will assure that he

1 is present at all future court proceedings, your Honor, and  
2 he's not indicated that, meaning his previous conduct has never  
3 indicated that he won't be present at a court proceeding.

4 If I have one more moment, your Honor.

5 THE COURT: Sure.

6 (Pause)

7 MR. WEINER: So, your Honor, for those reasons we ask  
8 that this court grant him the bond we have requested herein.

9 THE COURT: You suggested a 250 corporate surety bond  
10 with a Nebbia?

11 MR. WEINER: Yes, your Honor, plus electronic  
12 monitoring -- the government already has his passport -- a  
13 waiver of extradition, a waiver of removal.

14 THE COURT: Extradition, are you talking waiver of  
15 extradition to Singapore?

16 MR. WEINER: From any international extradition or  
17 from states, your Honor, or from other federal districts.

18 THE COURT: OK. Well, that is a new one. Thank you.  
19 I'm in the middle of an extradition hearing myself in  
20 Fort Lauderdale. I wish they'd waive extradition.

21 All right. Thanks so much.

22 In this case he may, in fact, have the funds to make  
23 that 250,000 corporate surety bond, right?

24 MR. WEINER: He may, your Honor, and of course --

25 THE COURT: There is a Nebbia condition.

1 MR. WEINER: -- it will be pursuant to a Nebbia.

2 THE COURT: Right.

3 MR. WEINER: Yes, your Honor.

4 THE COURT: Right. Right. Thank you.

5 I'm prepared to rule.

6 You would not consider a stipulation to detention,  
7 correct?

8 MR. WEINER: No, your Honor.

9 THE COURT: OK. All right.

10 In this case the matter comes before the court on the  
11 government's motion that the defendant, Malone Lam, be detained  
12 pending trial of this matter. In considering the government's  
13 request, as I said before, I am guided by several principles.

14 First, at all times the defendant is entitled to the  
15 presumption of innocence. Nothing that takes place during this  
16 hearing or that I set forth in my findings is intended or  
17 should be construed to affect that presumption. Rather, the  
18 purpose of this hearing is merely to determine whether or not,  
19 withstanding the presumption of innocence, the defendant should  
20 be detained pending trial.

21 Second, under the Bail Reform Act pretrial detention  
22 is considered an exceptional step. Under the Act, a defendant  
23 must be released prior to trial unless I find that no condition  
24 or combination of conditions exists that will reasonably assure  
25 the appearance of the defendant if the government seeks

1 detention based on him being a risk of flight or reasonably  
2 assure the safety of any other person in the community when the  
3 government seeks detention based on the defendant being a  
4 danger to others in the community.

5 The Act requires me to impose the least-restrictive  
6 conditions that are necessary to provide those reasonable  
7 assurances. If I cannot find any such conditions, then I am  
8 required by the Act to order that the defendant be detained  
9 pending trial.

10 Again, as I said in the beginning, the government  
11 seeks detention in this case based on both prongs -- danger and  
12 risk of flight.

13 As to risk of flight, the government must show by a  
14 preponderance of the evidence that no condition or combination  
15 of conditions will reasonably assure the defendant's presence  
16 as required.

17 As to danger, the government has a slightly higher  
18 burden. The government has to establish by clear and  
19 convincing evidence that no condition or combination of  
20 conditions will reasonably assure the safety of the community.

21 This is not a presumption case, so my analysis next  
22 turns to the four specific factors that the Act requires me to  
23 consider in making this decision.

24 The first is the nature and circumstances of the  
25 alleged offense. The second is the weight of the evidence

1 against the defendant. The third is the history and  
2 characteristics of the defendant. This includes the  
3 defendant's physical and mental condition, family ties,  
4 employment, length of residence in the community, community  
5 ties, past conduct, criminal record, history of drug or alcohol  
6 abuse, record of appearance at prior court proceedings, and  
7 whether the defendant was on conditional release of some sort  
8 at the time of the new alleged offense. Lastly, I consider the  
9 nature and seriousness of the danger to others in the  
10 community.

11 I have considered all of these factors, and I have  
12 given consideration to the agent's testimony, the government's  
13 proffer, and the arguments of both counsel. I have also given  
14 consideration to the recommendation in the Pretrial Services  
15 report, and in this case the Pretrial Services officer  
16 recommends that the defendant be detained pending trial.

17 I agree with that recommendation for the following  
18 reasons: I find that the government has certainly met its  
19 burden that the defendant is a risk of flight by more than a  
20 preponderance of the evidence. According to -- give me a  
21 minute to get back to my notes.

22 Mr. Lam is charged in a two-count indictment along  
23 with a codefendant. The codefendant was separately arrested in  
24 LA, I believe, and is probably making his way back to  
25 Washington as well. But the two counts charge Mr. Lam and his

1 codefendant with wire fraud, conspiracy to commit wire fraud,  
2 and conspiracy to launder money. Each of those counts carries  
3 a maximum penalty of up to 20 years. So consecutively you're  
4 looking at a 40-year maximum sentence.

5 The advisory guideline range has been calculated to be  
6 at 168 to 210 months. That is more than ten years, which seems  
7 like a lifetime to somebody of Mr. Lam's age. The reason for  
8 such a high guideline range, of course, is the amount of loss,  
9 which is more than \$230 million to the victim.

10 According to the government's proffer, the defendant  
11 and codefendant engaged in some kind of elaborate phishing  
12 scam, where they were able to convince the individual, the  
13 victim, to give them his personal financial information,  
14 ultimately resulting -- and by impersonating Google support  
15 personnel and Team members got the victim to provide them his  
16 security password to various gmail and Google accounts and  
17 thereby ultimately stealing more than \$230 million from the  
18 victim. Thereafter, they laundered these funds allegedly using  
19 multiple cryptocurrency addresses, exchanges, and mixers, in an  
20 attempt to conceal the ownership of the money and, of course,  
21 disguise its origin.

22 As the government proffered, the defendant then went  
23 on -- as I was listening to the evidence, I could only think of  
24 Ferris Bueller gone bad -- spent this money wildly, going to  
25 Los Angeles nightclubs, purchasing more than 30 high-end luxury



1 automobiles. I mean, an incredible amount of spending and  
2 craziness that followed his coming into more than \$230 million.

3 Most troubling to the court, of course, is the fact  
4 that the codefendant's girlfriend has told law enforcement that  
5 she tipped off the defendant that this arrest and indictment  
6 was coming and the defendant deleted his Telegram account in an  
7 effort to avoid detection and thereby obstruct justice. The  
8 court does not take obstruction of justice lightly.

9 He has no ties to the southern Florida community. He  
10 has no ties to the D.C. community. According to the Pretrial  
11 Services report, he seems to have very little ties anywhere  
12 except Singapore. He's lived in Texas, LA, Canada. Just a bit  
13 of a rolling stone. No ties to South Florida. No other job  
14 except his self-admitted job as a crypto investor for the last  
15 eight months, and we know what he was doing investing other  
16 people's money, according to the indictment.

17 The government's investigation is thorough. They were  
18 able to confirm that the \$\$\$ sign moniker that the defendant  
19 was using on the Telegram account by checking some of the  
20 content of those communications, which included the defendant's  
21 photographs of himself, he included photographs of a brand new  
22 sports car that he sent to his friends, but, more importantly,  
23 post-Miranda the defendant pretty much admitted everything he  
24 did. He admitted to using the moniker. He admitted to the  
25 theft. He admitted to splitting the proceeds of the theft with

1 his coconspirators, and he admitted to laundering those  
2 proceeds.

3 He is also here on a visa, which expired long ago.

4 For all of those reasons I find that the government  
5 has overwhelmingly established that the defendant poses a risk  
6 of flight.

7 He also has significant assets, including -- I think  
8 only nine cars were discovered. Obviously, that leaves 20 -- I  
9 forget how many cars there were, but it leaves a lot of cars  
10 that are out there that could certainly be sold to get money  
11 with which to flee. There is also no evidence as to whether or  
12 not Singapore would extradite one of its own nationals on this  
13 type of offense.

14 In terms of danger, I disagree with the government's  
15 argument that he is dangerous because there is no condition  
16 that I could impose that would prevent him from continuing to  
17 engage in this kind of electronic crime. I'm analogizing this  
18 to a child pornography type case where it is a very dangerous  
19 case, but there are conditions that I can impose, as long as I  
20 restrict that individual's use of electronic means, all  
21 internet access, all of that. The problem here, of course, is  
22 that I don't have a third-party custodian that can make that  
23 happen. But that is not why I find the defendant to be a  
24 danger. I found the defendant to be a danger because of his  
25 proclivity to obstruct, as I mentioned before. So in that

1 regard I find him to be both a risk of flight and a danger.

2 That is my ruling today.

3 I ask the government in all of these cases to draft a  
4 pretrial detention order that includes my findings of fact and  
5 conclusions of law.

6 Please give my law clerk, give her your email so she  
7 will email you one of my previous orders so you can please  
8 follow that format in order to make my life a little easier,  
9 and to do so by close of business Monday morning. I'm sorry.  
10 Monday, Monday morning.

11 MR. STRATTON: Will do, your Honor.

12 THE COURT: All right. Thank you.

13 Mr. Weiner, thank you for being here. It was a  
14 pleasure to meet you. I want to wish Mr. Lam luck. But before  
15 we do that we need to know what you are doing with removal.

16 MR. WEINER: He's waiving removal, your Honor.

17 THE COURT: All right. That includes waiving  
18 identity?

19 MR. WEINER: Yes, your Honor.

20 THE COURT: Thank you. I appreciate that.

21 Mr. Lam, so you understand, that means that you're not  
22 entitled to have another detention hearing in D.C. This is it.  
23 You understand that, right?

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: All right. Thanks. Good luck to you,

1 sir.

2 THE DEFENDANT: Thank you, your Honor.

3 MR. WEINER: Thank you very much, your Honor.

4 Pleasure.

5 THE COURT: Thank you. Pleasure. Say hello to your  
6 father.

7 (Adjourned)

8  
9 C E R T I F I C A T E

10  
11 I hereby certify that the foregoing is an accurate  
12 transcription to the best of my ability of the digital audio  
13 recording in the above-entitled matter.

14  
15 November 3, 2024

s/ Joanne Mancari  
Joanne Mancari, RPR, CRR, CSR  
Court Reporter  
jemancari@gmail.com